

SCDOT DESIGN-BUILD PROJECT DEVELOPMENT AND PROCUREMENT
BEST PRACTICES MEMORANDUM
September 12, 2012

It is the intent of SCDOT to develop and procure design-build contracts in a manner that is easily understood by and acceptable to the contracting and consultant industry, and in the best interest of the State. To that end, the following design-build best practices have been developed by SCDOT working closely with the Federal Highway Administration (FHWA), the Association of General Contractors (AGC), and the American Council of Engineering Consultants (ACEC) via the joint AGC/ACEC/SCDOT Design-build Subcommittee. To the extent possible, considering all project-related constraints and any unforeseen events, SCDOT will attempt to utilize the practices listed below in delivering design-build projects.

Best Practices

- I. As a standard practice, design build projects will be procured by the Director of Construction's Office (submittals to the SCDOT Contracts Administrator).
- II. As a standard practice, the Department will strive for consistency in the Design Build Process:
 - A. A design build evaluation committee will be assigned by the Deputy Secretary for Engineering for each design build project:
 - i. The ultimate size and makeup of the design build committee will depend on project requirements, but as a general rule each committee will be chaired by a staff member from the Innovative Projects Section (housed in Regional Production Group 1).
 - ii. Each committee will include at least one staff member from each of the following:
 - Director of Construction's Office
 - Director of Preconstruction's Office
 - District Office
 - SCDOT Legal Division (non-voting member)
 - FHWA (non-voting member)
 - iii. The SCDOT Legal representative as well as the FHWA representative, as non-voting members, will serve as advisors to monitor the document development and evaluation processes.
 - iv. Additional voting and/or non-voting committee members may be added as appropriate for each specific project.

- v. The committee chairman will instruct members of the design build committee participating in the evaluation of the requirements for ethical conduct and confidentiality, and ask each evaluator to sign a statement that he/she has read and understands those standards of conduct. If an evaluator has an actual or apparent conflict of interest related to a proposal under evaluation, that evaluator will be removed and replaced with another. If a suitable replacement is not available, the remaining evaluators will perform the evaluation.
 - B. The Innovative Projects Section will maintain all current documents pertaining to design-build projects in order to ensure the tracking and implementation of “lessons learned” from previous design build projects.
- III. As a standard practice, the Department will maintain a Design Build website link that will contain a listing of potential design build projects and schedules. The website link will also include the following information:
 - A. Request for Qualifications (RFQ)
 - B. All updates or modifications to the RFQ
 - C. Shortlist Letter including the names of all shortlisted teams
 - D. Bid Opening Date and Location
 - E. Project information (ie. environmental documents, public displays, etc.) available at the time of the RFQ release
- IV. As a standard practice, the Department will utilize a two-step process (RFQ , then RFP) for design build procurements
 - A. Request for Qualifications:
 - i. Request for Qualifications (RFQs) will be advertised on-line at <http://www.scdot.org/doing/designbuild.shtml> and in South Carolina Business Opportunities (SCBO), as well as the standard daily newspapers utilized for construction contract advertisements. In addition, an alert box will be added to BID-X notifying interested parties of the RFQ release.
 - ii. When using a 2-step process, SCDOT will short-list the number of DB teams to advance to the RFP stage (no more than 5 and no less than 3 whenever possible).

- B. Request for Proposals:
 - i. Request for Proposals (RFPs) will only be released to short-listed DB teams.
 - ii. The Department will issue an *RFP for Industry Review*. Then after comments/questions are received from the DB teams, a *Final RFP* will be issued.
 - iii. All comments received during the Industry Review phase will be considered by SCDOT. As a result, any changes/revisions deemed appropriate by SCDOT will be incorporated into the final RFP and highlighted so they will be easily identified. DB Teams providing comments during this phase will not receive a separate response from SCDOT.

- V. As a standard practice, the Department will allow confidential meeting(s) with individual shortlisted DB teams, if requested by the DB team in accordance with the Final RFP:
 - A. All teams requesting a confidential meeting shall provide written comments and questions prior to the meeting in accordance with the RFP.

 - B. Responses to confidential questions will be provided by one of the following:
 - i. Confidential response to the specific DB team.
 - ii. Addendum to the RFP released to all proposing DB teams.
 - iii. No response (refer to RFP).

 - C. Confidential meetings intended to facilitate the Alternative Technical Concept (ATC) process.

- VI. As a standard practice, RFQ and RFP submittals will be submitted only to the SCDOT Contracts Administrator in the Director of Construction's Office:
 - A. For RFP responses, The Contracts Administrator will remove the price envelopes and secure them, prior to distributing the proposals to the evaluation committee.

 - B. The review committee will never be in possession of the price envelopes and will only see them when they are opened by the Contracts Administrator at the bid opening.

- VII. As a standard practice, the design build evaluation committee for each project will review and score qualification submittals and proposal submittals based on questions and project priorities as defined in the RFQ and RFP documents. Qualification scores will then be used to assist in defining the appropriate shortlist and Proposal scores will be used to assign quality points as defined in the RFP.

- VIII. As a standard practice, the Department will conduct a bid opening for design-build price proposals. The Bid opening will be open to interested parties and will follow bid opening procedures and analysis as detailed in the RFP and the SCDOT Bid Review Policies and Procedures document. In addition, SCDOT will advertise the bid opening date on the Design Build Website.
- IX. As a standard practice for federally funded projects, the Department will seek FHWA concurrence at various stages of procurement:
- A. RFQ document and release
 - B. Shortlisted teams - After the shortlisted teams are selected, a memorandum will be sent to FHWA for written concurrence of the shortlisted teams.
 - C. RFP document and release
 - D. Award – Once proposals have been scored, bids have been opened, and SCDOT decides to proceed with award, a letter will be sent to FHWA requesting concurrence in awarding the contract. FHWA will provide written concurrence in the award prior to an award notification and contract execution. If SCDOT determines it is appropriate to reject all proposals or issue a *best and final offer* (BAFO), SCDOT will seek FHWA concurrence prior to proceeding.
- X. As a standard practice, the Department will conduct debriefings, when requested by the design-build team, as follows:
- A. RFQ debriefings for non-shortlisted teams will occur after the shortlisted teams are named.
 - B. Debriefings for shortlisted teams will occur only after a design-build contract has been executed.
- XI. As a standard practice, the Department will pay stipends only when approved specifically for the project. When approved for a project, stipend amounts will be set in accordance with **23 CFR 636.113** and will only be paid to eligible unsuccessful shortlisted proposers. No stipends will be paid for submitting RFQ responses.
- XII. As a standard practice, the Department will attempt to include, at a minimum, the following in the RFP information package:

- A. Hierarchy of documents
 - B. Surveys
 - i. SCDOT will provide primary survey control and take the risk for primary survey control errors.
 - C. Pipe Inspection Data
 - D. Geotechnical data
 - i. Within the anticipated limits of a bridge, borings will be provided at intervals of approximately 100 feet. A minimum of two borings will be provided at each bridge site.
 - E. Environmental:
 - i. All available environmental documents
 - ii. Typically, permit responsibility will be the DB teams with submittals through SCDOT. Or, for permits handled by SCDOT, dates will be provided when the DB team may assume the permit will be received.
 - F. Design Criteria:
 - i. Design speed, functional class, and traffic volumes
 - ii. Pavement design
 - G. Design Plans will be provided as information only, based on environmental document type:
 - i. For CE's – design sufficient to obtain the CE
 - ii. EA/FONSI – 30% plans
 - iii. EIS/ROD – 60% plans
 - iv. All plans for information only.
 - H. Hydraulic Information
 - I. Utility Information
- XIII. As a standard practice, SCDOT will attempt to streamline DB submittal reviews:
- A. SCDOT will minimize duplicate comments or any comments outside of the scope of the RFP/Contract.
 - B. SCDOT will require the DB team to submit a proposed design review submittal schedule identifying type and dates of all proposed submittals for SCDOT approval.

- C. Once the DB team review submittal schedule is approved, it will be updated on a monthly basis.
 - D. SCDOT will require the DB team to use an electronic based submittal process, with hardcopies as requested.
 - E. In order to assist with shortened reviews on subsequent submittals, SCDOT will require the DB Team to include highlighting or colored bubbles around any changes or revisions from previous submittals.
- XIV. As a standard practice, SCDOT and the Design Build Team will utilize Issue Papers (IP's) to track modifications to the RFP and / or scope of the project.
- A. An Issue Paper will be used to track the modifications to the RFP and / or scope contract. These issues may include:
 - i. Changes in project scope (lane widths, design speed, clear zone, pavement designs, etc.)
 - ii. Changes in referenced RFP documents (design manuals, publications, supplemental specification, etc.)
 - iii. Changes in contract requirements (liquidated damages, completion dates, seasonal restrictions, A+B calculations, etc.)
 - B. Each IP will be individually numbered and tracked. A spreadsheet will be generated to track the IP and any costs associated with each.
 - C. Concurrence for Issue Papers will be required from both parties:
 - i. SCDOT concurrence - drafts of the IP are sent electronically to obtain concurrence from the DCE, FHWA, DOC, SCDOT design engineer (depending on issue), and the RPG (for funding if needed).
 - ii. Design-Build Team - the project manager must sign off on the Issue Paper or reply with his concurrence to make the IP a legal contract document
 - D. Upon concurrence, changes to contract requirements may be documented immediately via a change order in SiteManager.
 - E. Design-Build projects are primarily comprised of LS bid items. Once the individual LS item of work is fully complete and no further issues are expected, a change order may be processed incorporating all costs and credits associated with the various Issue Papers.

- F. If required at the completion of the project, a Change Order will be generated in SiteManager in order to document all issue papers as the permanent record for the project modifications.

- XV. As a standard practice, SCDOT and the Design Build Team will utilize Requests for Information (RFI's) to track requests for clarification or interpretation of existing contract requirements:
 - A. Each RFI will be numbered and tracked individually. A spreadsheet will be generated to track the RFI numbers, responses and when they were closed.
 - B. The RFI will remain open until the issue has been addressed and answered.
 - C. An RFI response may result in an Issue Paper being submitted if the resolution results in a change or modification to the RFP as noted above. However, these are two separate documents and should not be confused.

- XVI. As a standard practice, the use of Alternative Technical Concepts (ATCs) will be considered for all design-build projects. At the discretion of the Department, ATCs will be utilized on a case by case basis where determined to be appropriate and advantageous.